

## Message Text

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PAGE 01 BRUSSE 11948 151352Z  
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 EA-10 GSA-02 IGA-02 AGRE-00  
CEA-01 CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01  
INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01  
AID-05 SS-15 STR-05 ITC-01 TRSE-00 USIA-06 PRS-01  
SP-02 FEAE-00 OMB-01 /114 W  
-----109857 151433Z /41

R 151336Z SEP 77  
FM AMEMBASSY BRUSSELS  
TO SECSTATE WASHDC 1833  
INFO USMISSION GENEVA

C O N F I D E N T I A L BRUSSELS 11948

USEEC

E.O.11652:GDS  
TAGS: ETRD, EEC, JA  
SUBJECT: ANTI-DUMPING: EC DECISION ON JAPANESE BALL  
BEARINGS

REF: STATE 215425

1. MISSION DISCUSSED TREASURY REQUEST FOR SPECIFICS  
OF PRICE UNDERTAKINGS WITH EC COMMISSION OFFICIAL (HANS  
BESELER OF DG-I) WHO WAS IN CHARGE OF NEGOTIATIONS WITH  
JAPANESE FIRMS AND GOVERNMENT WHICH LED TO EC DECISION  
ON BALL BEARING CASE. ACCORDING TO HIM, UNDERSTANDING IS  
BASED ON AN AGREEMENT TO USE THE WEIGHTED AVERAGE RETAIL  
PRICE FOR EACH TYPE OF BALL BEARING BASED ON SALES IN  
JANUARY 1977. THIS WEIGHTED AVERAGE WAS DETERMINED NOT  
BY THE LIST PRICE BUT THROUGH AN EXAMINATION OF THE SALES  
INVOICES OF JAPANESE FIRMS AND THE EUROPEAN SUBSIDIARIES  
FOR THAT PERIOD. OFFICIAL INDICATED THAT COMMISSION  
SUSPECTS THAT EVEN THESE FIGURES MAY NOT HAVE BEEN  
ENTIRELY ACCURATE BUT DO PRBIDE A REASONABLE BASIS FOR  
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PROCEEDING. UNDERTAKING WITH JAPANESE FIRMS PROVIDES FOR  
INCREASE OF 10 PERCENT OVER WEIGHTED AVERAGE IN JULY 1977  
AND A FURTHER INCREASE OF 10 PERCENT AT THE END OF 1977.  
FURTHERMORE, THE FOUR FIRMS AGREED TO REPORT TO THE  
COMMISSION TWICE A YEAR ON ALL EUROPEAN SALES OF THE  
100 MOST IMPORTANT TYPES OF BALL BEARINGS AND TO PROVIDE  
WHATEVER OTHER SALES INFORMATION THE COMMISSION SHOULD

REQUEST.

2. EC OFFICIAL EXPRESSED NEAR CERTAINTY THAT GOVERNMENT OF JAPAN PLANNED TO TAKE COMMISSION TO EUROPEAN COURT OF JUSTICE ON BALL BEARING CASE AND THAT COMMISSION WAS CONFIDENT THAT IT HAD NOT DEPARTED FROM TERMS OF THE ANTI-DUMPING CODE IN ITS INVESTIGATION AND THUS WOULD BE UPHELD. IN A CONVERSATION ON SEPTEMBER 8, JAPANESE MISSION OFFICER TOLD MISSION THAT APPROACH TO COURT OF JUSTICE WAS UNDER CONSIDERATION BUT LEFT IMPRESSION THAT QUESTION WAS NOT YET DECIDED IN GOJ.

3. EC OFFICIAL EXPRESSED HOPE THAT HE AND TREASURY OFFICIALS WHO WILL ATTEND GATT ANTI-DUMPING COMMITTEE MEETING SCHEDULED TO START OCTOBER 17 WOULD HAVE OPPORTUNITY TO CONSULT BILATERALLY IN ADVANCE. HE SUGGESTED THAT OCTOBER 13 OR 14 WOULD BE A GOOD TIME FOR HIM IF TREASURY OFFICIALS COULD ARRANGE TO STOP IN BRUSSELS ON THEIR WAY TO GENEVA. HE WAS UNWILLING AT THIS POINT TO PROVIDE FURTHER DETAILS ON JAPANESE PRICE UNDERTAKING BUT MADE IT CLEAR THAT HE WOULD BE ABLE TO GO THROUGH MORE DETAIL IF A BILATERAL CAN BE ARRANGED.  
HINTON

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## Message Attributes

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**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Review Markings:**  
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